

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6084

BILL NUMBER: SB 122

DATE PREPARED: Oct 20, 2001

BILL AMENDED:

SUBJECT: Unemployment Compensation.

FISCAL ANALYST: Chuck Mayfield

PHONE NUMBER: 232-4825

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a person who voluntarily leaves employment without good cause or is discharged for just cause is ineligible to receive benefits until the person earns remuneration equal to or exceeding the weekly benefit amount of the person's claim for four weeks, instead of eight weeks. It provides that a person who leaves one job for a higher paying job is not automatically disqualified from receiving unemployment insurance benefits if the person is separated from employment in the second job without just cause. The bill provides that an employee who is discharged for violation of an attendance policy is not considered to have been discharged for just cause if the employee can show good cause for the absences or tardiness. It provides that "good cause" includes: (1) compelling family obligations; (2) sexual harassment; and (3) financial inability of the individual to maintain two separate residences.

Effective Date: July 1, 2002.

Explanation of State Expenditures: The provisions of this bill may create a minimal increase in expenditures from the Unemployment Insurance Benefit Fund, the extent of which is indeterminable and dependent on the number of individuals who meet the above criteria. The balance of the Unemployment Insurance Benefit Fund, as of June 31, 2001, was \$1.47 B. The impact on the state as an employer is also minimal. For the FY 2000, the state spent \$1.4 M on unemployment insurance benefits.

Explanation of State Revenues:

Explanation of Local Expenditures: The provisions of this bill may create a minimal increase in expenditures for unemployment insurance benefits.

Explanation of Local Revenues:

State Agencies Affected: Department of Workforce Development, State agencies.

Local Agencies Affected: Local units of government.

Information Sources: Patrick Murphy, Department of Workforce Development, (317)233-1463.